

## External trade in February 2009

According to preliminary data, seasonally adjusted exports were down by 0.9% and imports by 2.9%, **month-on-month**. The development trend shows decreasing exports (-0.8%) and imports (-1.6%).

**Year-on-year**, exports and imports at current prices fell by 22.2% and 21.5% respectively. External trade decline has continued since August 2008 (with the exception of September 2008) and exceeded 20% for exports and imports alike in last two months. Due to depreciation of the *koruna* against the two major currencies, external trade decreased faster in euros (exports -30.6%, imports -30.0%) and even more in US dollars (exports -39.8%, imports -39.3%). February 2008 had one working day more than February 2009.

The trade balance reached a surplus of CZK 8.7 bn, which was by CZK 4.3 bn less year-on-year. February balance has been in the black since 2004. The trade balance with the other EU member states was a surplus of CZK 38.1 bn and with non-EU countries a deficit of CZK 29.4 bn. Trade balance deteriorated mainly in 'machinery and transport equipment' (surplus down by CZK 5.8 bn) and in 'miscellaneous manufactured articles' (a negative effect of CZK 2.6 bn as surplus turned into a deficit). Surplus dropped in trade in 'beverages and tobacco' (by CZK 0.4 bn) and 'crude materials, inedible, except fuels' (by CZK 0.3 bn); deficit deepened in trade in 'food and live animals' (by CZK 0.3 bn). On the other hand, a growth of CZK 2.6 bn in surplus (as imports fell more than exports) in trade in 'manufactured goods classified chiefly by material' influenced the total balance positively. Deficit fell in trade in 'chemicals and related products' and 'mineral fuels, lubricants and related materials' (by CZK 2.0 bn and CZK 0.8 bn respectively).

In 'machinery and transport equipment' exports were down by 25.4% (CZK -30.4 bn) and imports by 28.3% (CZK 24.6 bn). The highest decreases were recorded in exports and imports of 'road vehicles' (CZK -11.2 bn and CZK -7.9 bn respectively), 'electrical machinery, apparatus and appliances' (CZK -5.6 bn and CZK -4.8 bn respectively) and 'general industrial machinery and equipment' (CZK 4.0 bn and CZK -3.1 bn respectively). Imports of 'mineral fuels, lubricants and related materials' fell by 7.6% (CZK -1.4 bn). Imports of crude oil fell by 39.4% in value and remained at the February 2008 level in volume. Imports of natural gas grew by 45.4% in value and by 6.3% in volume.

By group of countries, trade surplus with the other EU member states fell by CZK 4.3 bn and trade deficit with non-EU countries decreased by CZK 1.9 bn. Trade balance deteriorated with Poland (by CZK 2.4 bn) and the United States (by CZK 1.0 bn) as surplus turned into a deficit. Surplus fell in trade with the United Kingdom (by CZK 1.4 bn), Italy and Romania (both by CZK 1.3 bn), Spain and Sweden (both by CZK 1.1 bn) and Slovakia (by CZK 1.0 bn), and trade deficit with China deepened (by CZK 0.9 bn). Trade balance improved with Germany (surplus up by CZK 6.0 bn as imports dropped more than exports), deficit decreased in trade with Japan (by CZK 1.8 bn), Korea (by CZK 1.7 bn) and the Russian Federation (by CZK 1.4 bn). Trade balance improved with Turkey (by CZK 1.4 bn) as deficit turned into a surplus.

In the **twelve months to February 2009**, compared with the previous twelve months, exports and imports were down by 6.4% and 5.3% respectively. The trade balance yielded a surplus of CZK 56.2 bn, which was down by CZK 32.8 bn. The long-term unfavourable effect on balance came from a growth of deficit in 'mineral fuels, lubricants and related materials' (by CZK 32.3 bn) and decreases in surplus in 'miscellaneous manufactured articles' (by CZK 14.5 bn), 'machinery and transport equipment' (by CZK 11.9 bn) and 'crude materials, inedible, except fuels' (by CZK 1.0 bn). Improvements were achieved in trade in 'manufactured goods classified chiefly by material' (surplus up by CZK 13.1 bn), 'beverages and tobacco' (surplus up by CZK 3.1 bn), 'chemicals and related products' (deficit down by CZK 10.1 bn) and 'food and live animals' (deficit down by CZK 1.7 bn).

By group of countries, trade surplus with EU member states rose by CZK 42.8 bn and trade gap with non-EU countries grew by CZK 75.6 bn. Surplus increased with Germany (by CZK 34.5 bn), the Netherlands (by CZK 19.3 bn), France (by CZK 5.7 bn), Poland (by CZK 4.5 bn), Austria (by CZK 4.3 bn), Slovakia (by CZK 3.6 bn) and Finland (by CZK 3.1 bn). Trade deficit went up with the Russian Federation (by CZK 25.4 bn), China (by CZK 20.4) and Kazakhstan (by CZK 3.0 bn). Surplus dropped in trade with Spain (by CZK 9.9 bn), Belgium (by CZK 6.8 bn), Italy (by CZK 4.7 bn) and the United Kingdom (by CZK 4.6 bn).

In **January-February 2009** exports and imports declined by 23.1% and 21.4% respectively. The trade surplus amounting to CZK 12.2 billion was down by CZK 12.6 billion year-on-year.

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According to the CZSO's sources, the data were reported by 96.4% of firms (goods dispatched) and 97.6% of firms (goods arrived) among the companies obliged to report to the Intrastat system.

Data for companies exempted from the reporting duty according to amended Decree No 201/2005 Sb. and for companies that failed to report have been imputed. The imputation methods are based on data that the companies reported in the previous period and data from the VAT returns.